



State of New Jersey

Department of the Treasury

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Revenue Collections Again Reflect Nation's Severe Economic Conditions

TRENTON – State Treasurer David Rousseau announced today that for the second straight month, revenues fell significantly below budget projections, with November's collections coming in about \$200 million under target, following an October shortfall of \$211 million. Collections through the first five months of FY09 total \$10.57 billion, which is \$459 million (-4.2 percent) below estimates for the period.

For November, nearly every major revenue source came in below projections. Among the big three, the Gross Income Tax came in \$61.1 million under projections, while the Sales Tax finished \$73.6 million below targets, and the Corporation Business Tax was \$19 million below budget estimates.

Through the five months ending November 30, Gross Income Tax was \$3.73 billion, which was \$213.7 million (-5.4 percent) under target. Corporation Business Tax collections came in at \$3.35 for the same period, which is \$17.3 million (2.2 percent) below projections. Sales Tax collections totaled \$3.35 billion, finishing \$159 million (-4.5 percent) under year to date targets.

“These revenue numbers paint a sobering picture of how the deepening economic downturn is impacting New Jersey jobs, businesses, personal income and consumer spending,” Rousseau said.

After October revenue came in more than \$200 million below projections, Treasurer Rousseau estimated that New Jersey's fiscal year shortfall would reach approximately \$1.2 billion. “November's shortfall raises additional concerns about FY 09. We will look more closely at the current year problem once we get a report on revenues from December, which is one our heaviest collection months of the year,” he said.

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STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VS EARNED
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2008
(\$ Thousands)

Revenue Source	November		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 3,946,000	\$ 3,732,270	\$ (213,730)	(5.4%)
Sales	3,514,000	3,354,980	(159,020)	(4.5%)
Corporation Business	783,000	765,657	(17,343)	(2.2%)
Lottery	343,400	338,271	(5,129)	(1.5%)
Motor Fuels	233,800	225,557	(8,243)	(3.5%)
Motor Vehicle Fees (b)	43,200	7,930	(35,270)	(81.6%)
Transfer Inheritance	293,900	324,159	30,259	10.3%
Casino Revenue	172,400	159,294	(13,106)	(7.6%)
Insurance Premium	1,700	8,430	6,730	395.9%
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	98,500	94,318	(4,182)	(4.2%)
Corp. Banks & Financial Institutions	22,500	22,966	466	2.1%
Alcoholic Beverage Excise	30,700	29,944	(756)	(2.5%)
Realty Transfer	162,900	126,929	(35,971)	(22.1%)
Tobacco Products Wholesale Sales (a)	5,800	5,016	(784)	(13.5%)
Public Utility	-	-	-	-
Total	\$ 9,651,800	\$ 9,195,721	\$ (456,079)	(4.7%)
All Other	1,385,800	1,382,862	(2,938)	(0.2%)
Total Revenues	\$ 11,037,600	\$ 10,578,583	\$ (459,017)	(4.2%)

(a) Pursuant to P.L. 06-37, revenue collections of \$370.0 million from the cigarette and tobacco products wholesale sales taxes are deposited in the Health Care Subsidy Fund starting with fiscal year 2007. Pursuant to P.L. 04-69 \$0.0325 per cigarette is dedicated to pay debt service on the Cigarette Securitization Bonds.

(b) Pursuant to P.L. 03-13, \$209.4 million of FY 2009 Motor Vehicle Fee collections are dedicated to the New Jersey Motor Vehicle Commission.

STATE OF NEW JERSEY
REVENUE SOURCE
BUDGET VERSUS EARNED
MONTH OF NOVEMBER 2008
(\$ Thousands)

Revenue Source	NOVEMBER		Variance Over/(Under) Budget	% Variance Over/(Under) Budget
	Budget	Earned		
Gross Income	\$ 905,000	\$ 843,860	\$ (61,140)	(6.8%)
Sales	673,000	599,336	(73,664)	(10.9%)
Corporation Business	72,000	52,944	(19,056)	(26.5%)
Lottery	69,300	68,626	(674)	(1.0%)
Motor Fuels	43,100	38,903	(4,197)	(9.7%)
Motor Vehicle Fees (b)	32,900	7,930	(24,970)	(75.9%)
Transfer Inheritance	57,500	57,192	(308)	(0.5%)
Casino Revenue	33,600	27,789	(5,811)	(17.3%)
Insurance Premium	500	4,766	4,266	853.2%
Cigarette (a)	-	-	-	-
Petroleum Products Gross Receipts	19,500	17,435	(2,065)	(10.6%)
Corp. Banks & Financial Institutions	1,700	(313)	(2,013)	(118.4%)
Alcoholic Beverage Excise	-	(1,057)	(1,057)	-
Realty Transfer	32,900	23,203	(9,697)	(29.5%)
Tobacco Products Wholesale Sales (a)	1,300	719	(581)	(44.7%)
Public Utility	-	-	-	-
Total	\$ 1,942,300	\$ 1,741,333	\$ (200,967)	(10.3%)
All Other	277,200	277,102	(98)	(0.0%)
Total Revenues	\$ 2,219,500	\$ 2,018,435	\$ (201,065)	(9.1%)

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STATE OF NEW JERSEY
MONTH AND YEAR-TO-DATE CASH COLLECTIONS
Fiscal 2009 - November 2008 VERSUS 2007
(\$ Thousands)

NOVEMBER			% Change		NOVEMBER - YTD		
2007	2008				2007	2008	% Change
\$ 567,604	\$ 531,860		(6.3%)	Gross Income Tax	\$ 3,137,354	\$ 3,032,270	(3.3%)
672,845	591,336		(12.1%)	Sales	2,834,450	2,681,980	(5.4%)
81,343	52,944		(34.9%)	Corporation Business	841,752	765,657	(9.0)
65,960	68,626		4.0%	Lottery	352,484	338,271	(4.0)
48,453	43,103		(11.0%)	Motor Fuels	195,403	182,457	(6.6%)
-	7,930		-	Motor Vehicle Fees (b)	-	7,930	-
76,858	57,192		(25.6)	Transfer Inheritance	319,582	324,159	1.4
34,850	27,789		(20.3)	Casino Revenue	176,721	159,294	(9.9)
4,781	4,766		(0.3)	Insurance Premium	(7,455)	8,430	213.1
-	-		-	Cigarette (a)	-	-	-
17,170	16,435		(4.3%)	Petroleum Products Gross Receipts	76,842	74,818	(2.6%)
(955)	(313)		(67.2%)	Corp. Banks & Financial Institutions	39,343	22,966	(41.6)
14,262	14,243		(0.1%)	Alcoholic Beverage Excise	29,641	29,944	1.0
29,645	18,703		(36.9)	Realty Transfer	130,800	94,029	(28.1)
1,105	719		(34.9%)	Tobacco Products Wholesale Sales (a)	4,871	5,016	3.0%
-	-		-	Public Utility	-	-	-
<u>\$ 1,613,921</u>	<u>\$ 1,435,333</u>		(11.1%)	Total Major Revenues	<u>\$ 8,131,788</u>	<u>\$ 7,727,221</u>	(5.0%)

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